



Chevron Resources Company

A division of Chevron Industries, Inc.

Manila Star Route, Vernal, UT 84078 • Phone (801) 789-2233

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AUG 24 1984

DIVISION OF OIL
GAS & MINING

August 23, 1984

Mr. James Smith
Mined Lands Coordinator
Utah Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

JIM
AUG 27 1984

Re: Revised Mine Plan for Vernal Phosphate

Dear Mr. Smith:

Enclosed are the bonding calculations for the Revised Mine and Reclamation Plan of Vernal Phosphate Operations submitted on August 13, 1984. The calculations show the new bond requirement to be \$3,000,000. Chevron attorneys are having a bond prepared similar to the \$1,000,000 bond currently covering the operation. I have requested the bond be prepared and presented to the Division no later than September 21, 1984. Should the amount or timeframe be insufficient, please contact me immediately so it can be corrected.

As you are aware, the Revision was submitted without a signature by an "officer of the company". A copy of the Revision, along with a signature page, has been sent to our head office in San Francisco.

An officer of the company will sign it and return it to me with the bond. At that time both will promptly be forwarded to you.

If there are any further questions or concerns, please contact me at the above address. Thank you for your time and consideration of this matter.

Sincerely,

O. L. Fyock
Environmental Specialist

Enclosures

OLF/gl

1984 REVISION BONDING SUMMARY

Proposed Disturbance (1130 Acres)	\$1,695,000
Pipeline "	1,525
Conveyor & Tunnel	14,045
Access Roads	2,145
Concentrator Extention	36,085
SAG Mill Extention	14,050
Mine Office-Shop Complex	<u>39,500</u>
Sub-Total	\$1,802,350
10% Contingency	\$ 180,235
Total	\$1,982,585
Existing Bond (1/26/83)	\$1,000,000
Bond with Revision	\$3,000,000

RECLAMATION AND DEMOLITION DATA & CALCULATIONS

STRUCTURE Proposed Disturbance

	<u>MAN OR MACHINE DAYS</u>	<u>DAILY RATE</u>	<u>TOTAL EXPENDITURES</u>
Hourly Employees	_____	_____	_____
Supervisors	_____	_____	_____
Crane w/Operator	_____	_____	_____
Tractor Trailer w/Operator	_____	_____	_____
Front End Loader w/Operator	_____	_____	_____
Other <u>Reclamation of Disturbed Land</u>	_____	_____	_____
Other <u>1984 through 1989</u>	<u>1130 acres</u>	<u>\$1500/acre</u>	<u>\$1,695,000</u>
Materials _____	_____	_____	_____
		TOTAL	<u>\$1,695,000</u>

	<u>Year</u>	<u>Acreage</u>
Notes:	1984-85	W-80
		E-180
	1986	W-70
		E-100
	1987	W-90
		E-110
	1988	W-90
		E-140
	1989	W-70
		<u>E-200</u>
		1130

STRUCTURE Pipeline Leaving Property

	<u>MAN OR MACHINE DAYS</u>	<u>DAILY RATE</u>	<u>TOTAL EXPENDITURES</u>
Hourly Employees	<u>1</u>	<u>80</u>	<u>80</u>
Supervisors	<u></u>	<u></u>	<u></u>
Crane w/Operator	<u></u>	<u></u>	<u></u>
Tractor Trailer w/Operator	<u></u>	<u></u>	<u></u>
Front End Loader w/Operator	<u></u>	<u></u>	<u></u>
Other <u>Tractor w/Seeder</u>	<u>1 day</u>	<u>320</u>	<u>320</u>
Other <u></u>	<u></u>	<u></u>	<u></u>
Materials <u>Seed & Mulch</u>	<u>7.5 AC</u>	<u>150/AC</u>	<u>1,125</u>
		TOTAL	<u>\$1,525</u>

Notes: 50' x 6500' (7.5ac)
Pipe will remain in ground.

STRUCTURE Conveyor w/Tunnel to Panels D & E

	<u>MAN OR MACHINE DAYS</u>	<u>DAILY RATE</u>	<u>TOTAL EXPENDITURES</u>
Hourly Employees (5 for 15 days)	<u>75</u>	<u>80</u>	<u>6,000</u>
Supervisors (1 for 15 days)	<u>15</u>	<u>120</u>	<u>1,800</u>
Crane w/Operator	<u></u>	<u></u>	<u></u>
Tractor Trailer w/Operator (1 for 5 days)	<u>5</u>	<u>415</u>	<u>2,075</u>
Front End Loader w/Operator (1 for 5 days)	<u>5</u>	<u>665</u>	<u>3,325</u>
Other <u>Tractor w/Seeder</u>	<u>1</u>	<u>320</u>	<u>320</u>
Other <u>Seed and Mulch</u>	<u>3.5</u>	<u>150/AC</u>	<u>525</u>
Materials <u></u>	<u></u>	<u></u>	<u></u>
		TOTAL	<u>\$14,045</u>

Notes: Conveyor 50' x 3000' - (3.5ac)
Tunnel 10 x 100'
Both ends of tunnel will be filled approximately 15 feet
with boulders. The openings will be covered and sloped
to match surrounding terrain.

STRUCTURE Access Road to Panels D & E

	<u>MAN OR MACHINE DAYS</u>	<u>DAILY RATE</u>	<u>TOTAL EXPENDITURES</u>
Hourly Employees (1 for 1 day)	<u>1</u>	<u>80</u>	<u>80</u>
Supervisors None	<u></u>	<u></u>	<u></u>
Crane w/Operator	<u></u>	<u></u>	<u></u>
Tractor Trailer w/Operator	<u></u>	<u></u>	<u></u>
Front End Loader w/Operator	<u></u>	<u></u>	<u></u>
Other <u>Tractor w/Seeder</u>	<u>1</u>	<u>320</u>	<u>320</u>
Other <u>D-9 w/ripper</u>	<u>1</u>	<u>920</u>	<u>920</u>
Materials <u>Seed & Mulch @ \$150/AC</u>	<u>5.5</u>	<u>150</u>	<u>825</u>
		TOTAL	<u>\$2,145</u>

Notes: Width 60'
Length 4000'
Acreage 5.5

RECLAMATION/DEMOLITION CALCULATION SHEET

STRUCTURE Concentrator/Pump Station Extension

	<u>MAN OR MACHINE DAYS</u>	<u>DAILY RATE</u>	<u>TOTAL EXPENDITURES</u>
Hourly Employees (10 for 15 days)	<u>150</u>	<u>80</u>	<u>12,000</u>
Supervisors (2 for 15 days)	<u>30</u>	<u>120</u>	<u>3,600</u>
Crane w/Operator (1 for 10 days)	<u>10</u>	<u>665</u>	<u>6,650</u>
Tractor Trailer w/Operator (1 for 10 days)	<u>10</u>	<u>415</u>	<u>4,150</u>
Front End Loader w/Operator (1 for 5 days)	<u>5</u>	<u>665</u>	<u>3,325</u>
Other <u>2 Welder @ \$15/hr for 15 days</u>	<u>30</u>	<u>120</u>	<u>3,600</u>
Other <u>D-7 for 3 days</u>	<u>3</u>	<u>920</u>	<u>2,760</u>
Materials <u> </u>	<u> </u>	<u> </u>	<u> </u>
		TOTAL	<u>\$36,085</u>

Notes: Building Size - 80' x 200'

STRUCTURE SAG Mill Grinding Extention

	<u>MAN OR MACHINE DAYS</u>	<u>DAILY RATE</u>	<u>TOTAL EXPENDITURES</u>
Hourly Employees (5 for 10 days)	<u>50</u>	<u>80</u>	<u>4,000</u>
Supervisors (1 for 10 days)	<u>10</u>	<u>120</u>	<u>1,200</u>
Crane w/Operator (1 for 5 days)	<u>5</u>	<u>665</u>	<u>3,325</u>
Tractor Trailer w/Operator (1 for 5 days)	<u>5</u>	<u>415</u>	<u>2,075</u>
Front End Loader w/Operator (1 for 2 days)	<u>2</u>	<u>665</u>	<u>1,330</u>
Other <u>Welders @\$15/hr (2 for 5 days)</u>	<u>10</u>	<u>120</u>	<u>1,200</u>
Other <u>D-7 (1 for 1 day)</u>	<u>1</u>	<u>920</u>	<u>920</u>
Materials <u> </u>	<u> </u>	<u> </u>	<u> </u>
		TOTAL	<u>\$14,050</u>

Notes: Building Size - 50 x 90

RECLAMATION AND DEMOLITION DATA & CALCULATIONS

STRUCTURE Mine Office-Shop Complex

	<u>MAN OR MACHINE DAYS</u>	<u>DAILY RATE</u>	<u>TOTAL EXPENDITURES</u>
Hourly Employees (10 for 15)	<u>150</u>	<u>80</u>	<u>12,000</u>
Supervisors (2 for 15)	<u>30</u>	<u>120</u>	<u>3,600</u>
Crane w/Operator	<u>10</u>	<u>665</u>	<u>6,650</u>
Tractor Trailer w/Operator	<u>10</u>	<u>415</u>	<u>4,150</u>
Front End Loader w/Operator	<u>10</u>	<u>665</u>	<u>6,650</u>
Other <u>D-9</u>	<u>5</u>	<u>1290</u>	<u>6,450</u>
Other _____	_____	_____	_____
Materials _____	_____	_____	_____
		TOTAL	<u>\$39,500</u>

Notes: Building Size 60 x 360